

Press release

EU Commission report on milk market shows need for further action – Member States' Agriculture Ministers still disagree

(Brussels, 18th June 2014) Last Friday, 13th June the European Commission published its new report on the situation of the milk market.

On one hand, it describes the overall positive development of supply and of the market as a whole. This applies to developments on the short and on the medium term for both the EU and the world market. At the same time, the Commission report points out the high risks of strongly fluctuating milk prices for a sustainable milk production across EU regions. In particular, the Commission stresses the need for additional instruments of crisis prevention for the period after the quota abolition in March 2015 to be discussed without delay.

The EMB welcomes the objective and well-balanced report of the EU Commission, in which it sees a confirmation of its assessment of the risks and opportunities for the dairy market. The increase of milk production during the last months – reaching up to 5-15 % in a large number of important milk producing countries of the EU – shows the potential of future volume increases. The currently dropping production compared to the previous year is mainly due to the high superlevy due by those exceeding their quota, on the basis of the quota system still in force. The limiting effect of the regulation thus currently significantly contributes to the slowly onsetting market recovery.

The EMB thus sees a need for urgent action and for the introduction of efficient crisis instruments for the period after the quota abolition. This would allow, if necessary, to also limit production after 2015. At their Members' Assembly in April this year, the EMB member organisations decided on a well-researched concept with this aim.

The EMB also sees a confirmation of its assessment in the positions of a large number of Member States. The Ministers for Agriculture of important countries such as France, Spain, Italy and even the United Kingdom clearly expressed their disagreement with softening existing rules prematurely. These countries seem to have recognised the responsibility of political decision-makers for the maintenance of a sustainable milk production across EU regions.

On a long term, this can only be achieved thanks to cost covering milk prices – which is one of the EMB's main demands.

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